

Georgia (Mr. CLELAND), and the Senator from Idaho (Mr. CRAPO) were added as cosponsors of S. J. Res. 18, a joint resolution memorializing fallen firefighters by lowering the United States flag to half-staff on the day of the National Fallen Firefighters Memorial Service in Emmitsburg, Maryland.

S. RES. 139

At the request of Mr. BIDEN, the names of the Senator from North Carolina (Mr. EDWARDS), the Senator from Hawaii (Mr. INOUE), the Senator from Louisiana (Ms. LANDRIEU), the Senator from Alabama (Mr. SESSIONS), the Senator from South Dakota (Mr. JOHNSON), and the Senator from Connecticut (Mr. DODD) were added as cosponsors of S. Res. 139, a resolution designating September 24, 2001, as "Family Day—A Day to Eat Dinner with Your Children."

S. RES. 158

At the request of Mr. CLELAND, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. Res. 158, a resolution honoring the accomplishments and unflinching spirit of women in the 20th century.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ALLEN (for himself, Mr. WARNER, Mr. CAMPBELL, and Mr. CRAIG):

S. 1433. A bill to amend the Internal Revenue Code of 1986 to provide tax relief for victims of the terrorist attacks against the United States on September 11, 2001; to the Committee on Finance.

Mr. ALLEN. Mr. President, I rise today to talk about a bill I introduced this morning. The first cosponsor of this measure is my good friend and colleague, Senator JOHN WARNER of Virginia. The bill is the Victims of Terrorism Relief Act of 2001, which would modify current tax policy to provide needed relief and compassion to the victims of the terrorist attacks that occurred on September 11, 2001.

As you well know—and all Americans know—on September 11, 2001, the world was stunned by what may prove to be the most vile, most horrifying act of hate and terror against a nation's people.

While many questions will remain unanswered in the weeks and months to come, what is immediately clear is that the conduct of war, as previously waged by the enemies of the United States, has been suddenly altered. That conduct of war is so different than what we ever imagined as a civilized Nation. This new war does not differentiate between a military and a civilian target. The enemies of liberty and democracy do not distinguish between a trained soldier and an unarmed child. The Federal Government, and the Congress, have previously recognized, and rightfully so, the special circumstances of some of our citizens who voluntarily

serve their country in potentially dangerous regions outside of the United States.

Current law provides a reduction in the death tax liability of the estates of members of the Armed Forces who are killed while serving in a combat zone or die as a result of injuries suffered while serving in a combat zone.

In addition, current law provides an exemption from the Federal income tax, on the income earned in the year of death, by Federal military and civilian employees who die during, or as a result of, injuries suffered in a military or terrorist attack outside of the United States.

These brave and honorable individuals put their lives on the line for our country. It is only right that we recognize their extraordinary dedication and their sacrifice.

Unfortunately, the advent of a new type of warfare means many provisions in our Tax Code, which were designed to provide tax relief to Federal military and civilian employees killed in service to their country, are now inadequate in the face of new threats. These benefits do not extend such relief to civilians who may be likewise killed in enemy attacks now indiscriminately aimed at civilian targets, as well as military installations.

As we recognize that our world and the rules of war, as the terrorists use them, have changed, we, too, must change the tax benefits of those citizens and their families who are adversely affected.

To address these inadequacies in the current Tax Code, I introduced the Victims of Terrorism Tax Relief Act of 2001 which would extend and expand current law benefits to any individual who died as a result of the terrorist attacks occurring on September 11, 2001.

Specifically, my legislation eliminates all Federal death taxes on the estates of any individual killed during, or as a result of injuries derived from, the September 11, 2001 terrorist attacks.

It exempts from Federal income tax, in the year of death, any income earned by any individual killed during, or who died as a result of injuries resulting from, the September 11, 2001, terrorist attacks.

It ensures that all our citizens—law enforcement, firefighters, rescue and relief workers, nurses, doctors, anyone—are recognized for their heroism and their sacrifice.

On September 13, 2001, the House of Representatives unanimously passed H.R. 2884, demonstrating overwhelming bipartisan support for extending current law tax benefits to civilian victims of the September 11, 2001, terrorist attacks. While I do not believe the legislation went far enough, in that it does not provide for full relief from Federal death taxes, it takes a very strong stand, sending a message of unity from Washington.

This is a recognition that all of those who lost their lives, in a violent act of war on the United States, on Sep-

tember 11, 2001, whether they are military personnel, civilian personnel, rescue workers, firefighters, police, nurses, citizens trying to help, citizens in their offices, children taking a plane trip, passengers on a plane, pilots of planes, all of these individuals have left us a legacy. Indeed, it is an enduring legacy of purpose, a legacy of compassion, a love of liberty, and a quest for justice.

We must honor all of those who lost their lives in this vile act of war on the United States and never forget; for their memory has truly unified a very diverse nation and has made it an even stronger and more respectful nation. We will honor and always remember them.

The U.S. Senate must rise to the occasion and stand in solidarity with the House of Representatives. The Senate must promptly pass this important legislation. It matters to those victims and their families.

I have personally talked to many, too many, of those family members—brothers, children, and wives—who have lost loved ones because of this dastardly terrorist attack. They are in a time of great grief. That grief will continue until the day they pass from this earth and reunite with their loved ones in heaven.

In this new war against the United States, the enemy is making all Americans, whether they are military or civilian, young or old, parents, children or spouses, targets for their attacks.

In this effort, the Federal Government must adapt its death benefits to take into consideration this sad truth: that the traditional line between combatants and noncombatants is not always respected. I have told those folks that their husband or their brother or their father is a hero and that they were killed because they were here in America. These grieving families need our assistance as much as do the families of our brave military personnel.

What they do not need in this time of mourning is the added worry of filling out tax forms. It is going to be hard enough for them to get by emotionally, much less financially.

For the Senate to act promptly on this legislation, would be to send a positive, reassuring message to these families: you are not going to have to worry about any of these tax forms, or how to afford new taxes in a time of grief—you are not alone in this. We must let them know we appreciate them as the heroes they are. We will always remember them, their acts of martyrdom and heroism unifying this Nation like I have never seen it unified in all of our history.

I hope my Senate colleagues, as they all start coming back after the holy days, will rise in applause, and help to ensure that our tax benefit laws reflect the realities of the new war against civilians, allowing them the same sort of benefits that we provide for our brave military personnel.

I ask unanimous consent that the text of my legislation introduced earlier in the day be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1433

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Victims of Terrorism Relief Act of 2001".

SEC. 2. INCOME TAXES OF VICTIMS OF TERRORIST ATTACKS.

(a) IN GENERAL.—Section 692 of the Internal Revenue Code of 1986 (relating to income taxes of members of Armed Forces on death) is amended by adding at the end the following new subsection:

“(d) CERTAIN INDIVIDUALS DYING AS A RESULT OF SEPTEMBER 11, 2001, TERRORIST ATTACKS.—

“(1) IN GENERAL.—In the case of any individual who dies as a result of wounds or injury incurred as a result of the terrorist attacks against the United States on September 11, 2001, any tax imposed by this subtitle shall not apply—

“(A) with respect to the taxable year in which falls the date of such individual's death, and

“(B) with respect to any prior taxable year in the period beginning with the last taxable year ending before the taxable year in which the wounds or injury were incurred.

“(2) EXCEPTION.—Paragraph (1) shall not apply to an individual whom the Secretary determines was a perpetrator of any such terrorist attack.”.

(b) CONFORMING AND CLERICAL AMENDMENTS.—

(1) The heading of section 692 of such Code is amended to read as follows:

“SEC. 692. INCOME TAXES OF MEMBERS OF ARMED FORCES ON DEATH AND VICTIMS OF CERTAIN TERRORIST ATTACKS.”.

(2) The item relating to section 692 in the table of sections for part II of subchapter J of chapter 1 of such Code is amended to read as follows:

“Sec. 692. Income taxes of members of Armed Forces on death and victims of certain terrorist attacks.”.

(3) Section 5(b)(1) of such Code is amended by inserting “and victims of certain terrorist attacks” after “on death”.

(4) Section 6013(f)(2)(B) of such Code is amended by inserting “and victims of certain terrorist attacks” after “on death”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending on or after September 11, 2001.

SEC. 3. RELIEF FROM ESTATE TAX.

(a) IN GENERAL.—Section 2201 of the Internal Revenue Code of 1986 is amended—

(1) in the first sentence by inserting “(a) IN GENERAL.—” before “The additional estate tax”; and

(2) by adding at the end the following:

“(b) VICTIMS OF CERTAIN TERRORIST ATTACKS.—No tax imposed under this subtitle shall apply to the transfer of the taxable estate of any individual who dies as a result of wounds or injury incurred as a result of the terrorist attacks against the United States on September 11, 2001. The preceding sentence shall not apply with respect to any individual whom the Secretary determines was a perpetrator of any such terrorist attack.”.

(b) CLERICAL AMENDMENTS.—

(1) The heading of section 2201 of such Code is amended to read as follows:

“SEC. 2201. COMBAT ZONE-RELATED DEATHS OF MEMBERS OF THE ARMED FORCES AND DEATHS OF VICTIMS OF CERTAIN TERRORIST ATTACKS.”.

(2) The item relating to section 2201 in the table of sections for subchapter C of chapter 11 of such Code is amended to read as follows:

“Sec. 2201. Combat zone-related deaths of members of the Armed Forces and deaths of victims of certain terrorist attacks.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying on or after September 11, 2001.

By Mr. SPECTER (for himself, Mr. BOND, Mr. BUNNING, Mrs. BOXER, Mr. BURNS, Ms. CANTWELL, Mr. CHAFEE, Mrs. CLINTON, Mr. ENSIGN, Mr. HARKIN, Mr. HELMS, Mr. KOHL, Ms. LANDRIEU, Mr. NELSON of Florida, Mr. SCHUMER, Ms. COLLINS, Mr. CRAPO, Mr. DORGAN, Mr. MILLER, Mr. DAYTON, Mr. NELSON of Nebraska, Mr. CORZINE, Mr. MCCAIN, Mr. WELLSTONE, Ms. SNOWE, Mrs. CARNAHAN, Mrs. FEINSTEIN, and Mr. CONRAD):

S. 1434. A bill to authorize the President to award posthumously the Congressional Gold Medal to the passengers and crew of United Airlines flight 93 in the aftermath of the terrorist attack on the United States on September 11, 2001; to the Committee on Banking, Housing, and Urban Affairs.

Mr. SPECTER. Madam President, today I have sought recognition to introduce a bill to authorize the President to award posthumously the Congressional Gold Medal to the passengers and crew of United Airlines Flight 93 in the aftermath of the terrorist attack on the United States on September 11, 2001. The bill which I am introducing would authorize the posthumous award of a Congressional Gold Medal to each of the crew and passengers of United Airlines Flight 93, which took off from Newark, New Jersey, changed course over Ohio, and crashed in Shanksville, PA, which is located in Somerset County.

On Friday, after the Senate had passed H.R. 2888, a resolution authorizing the use of force and \$40 billion for additional disaster assistance, both of which have been requested by the President, Senator SANTORUM and I flew by helicopter to Shanksville, PA, Somerset County, which is in southwestern Pennsylvania. There, we took a look at the crash scene, participated in a prayer service, and talked to the representatives of the FBI and the National Transportation Safety Board, as well as our constituents and friends in the area.

At that time, we found absolute rubble. The plane had traveled at a speed of approximately 450 miles an hour at a very low level as it passed by the Johnstown, PA airport, which is slightly to the north of the ultimate crash scene. The plane hit the ground with an enormous impact, leaving just

traces, the debris of people, regretfully, and the plane itself.

In our conversations with the officials of the National Transportation Safety Board, Senator SANTORUM and I inquired into a rumor which had been circulating that the plane might have been shot down. However, we were assured by the officials from the National Transportation Safety Board that such an event, in fact, had not happened.

Notwithstanding the debris, the officials were able to piece together the four corners of the plane. Had the plane been shot down, there would have been some sign of it prior to the impact and prior to the crash.

While we were at the scene, Senator SANTORUM and I announced our intention to seek the Congressional Gold Medal for the passengers and crew of United Airlines Flight 93. I am introducing this legislation today and, since yesterday, a large number of cosponsors have already signed on to the bill. Therefore, it is being introduced on behalf of Senator HARKIN, Senator BOXER, Senator BOND, Senator BUNNING, Senator BURNS, Senator CANTWELL, Senator CLINTON, Senator ENSIGN, Senator HELMS, Senator LANDRIEU, Senator NELSON of Florida, and Senator SCHUMER.

The medal has special significance for the Senate, the House of Representatives, and for the Capitol because all indications are that the plane—and this is speculation, because we will never know for certain—but, there are indications that the plane was headed for the U.S. Capitol. That statement was made by Vice President CHANEY on Sunday, September 16 on NBC's "Meet The Press." It is speculation. I want to clearly identify it as such because there is no way to be sure. But the speculation is supported by the fact that the plane which hit the Pentagon had been on a direct line to the White House and it veered off at the last moment. The fourth plane, United Airlines Flight 93, appeared to have been headed in a line that could have been to the White House, or even to Camp David, although it is unlikely to have been headed to Camp David since no one was there at the time. Most likely, Flight 93 was headed to the Capitol, the symbol of our Nation.

Wherever the United States is symbolized around the world, it is the Capitol dome that represents the nation. The terrorists intended to strike at us in every way possible: physically, psychologically, emotionally, and at the very Capitol.

So it is with a heavy heart, which is a sentiment shared by Americans all across the land and really, by most people across the globe, that I introduce this bill denominated at the "Honoring the Passengers and Crew of United Airlines Flight 93 Act."

On September 11, 2001, United Airlines Flight 93 took off at 8:44 a.m. from Newark, New Jersey, destined for San Francisco, California;

The plane was hijacked by 4 terrorists shortly after it took off;

It is widely presumed that the terrorists who took control of United Airlines Flight 93 intended to use the aircraft as a weapon and crash it into the United States Capitol Building in Washington, D.C.;

The passengers and crew of United Airlines Flight 93 learned from cellular phone conversations with their loved ones of the fate of the 3 other aircraft that were hijacked earlier that same day and used as weapons to murder thousands of innocent people and destroy American landmarks;

The passengers and crew of United Airlines Flight 93, recognizing the potential danger that the aircraft they were aboard posed to large numbers of innocent Americans, American institutions, and the symbols of American democracy, took heroic and noble action to ensure that the aircraft they were aboard could not be used as a weapon;

The 44 people in all, 37 passengers and 7 crew of United Airlines Flight 93, in the ultimate act of selfless courage and supreme sacrifice, fought to recapture their flight from the terrorists; and

The struggle of the crew and passengers of United Airlines Flight 93 against the terrorists caused the Boeing 757 to crash down in a sparsely populated area near Shanksville, Pennsylvania at 10:10 a.m., September 11, 2001, possibly saving countless lives in the Nation's Capital.

The President is authorized, on behalf of Congress, to award posthumously a gold medal of appropriate design to each of the United Airlines Flight 93 crew members: Lorraine G. Bay; Sandra W. Bradshaw; Jason Dahl; Wanda A. Green; LeRoy Homer; CeeCee Lyles; and Deborah A. Welsh; and the United Airlines Flight 93 passengers: Christian Adams; Todd Beamer; Alan Beaven; Mark Bingham, who made a call to his mother; Deora Bodley; Marion Britton; Thomas E. Burnett, Jr.—who was one of the individuals who had cellular phone contact—William Cashman; Georgine Rose Corrigan; Joseph Deluca; Patrick Driscoll; Edward Felt; Colleen Fraser; Andrew Garcia; Jeremy Glick—another one of the passengers who had contact with his wife, according to very detailed newspaper accounts, with the determination by Mr. Glick, according to his wife's report, that something would be done. Obviously, something was done—Kristin Gould; Lauren Grandcolas; Donald F. Greene; Linda Gronlund; Richard F. Guadagno; Toshiya Kuge; Hilda Marcin; Waleska Martinez; Nicole Miller; Louis J. Nacke; Donald Peterson; Mark Rothenberg; Christine Snyder; John Talignani; Honor Wainio; and 3 additional heroes whose families have requested that their names be withheld.

The original thought Senator SANTORUM and I had was to make the recommendation requesting the award of these medals only to the three indi-

viduals who had been identified as having cellular phone contact. However, it is entirely likely that others were involved in the heroic effort to somehow storm the cockpit. What precisely happened during that flight, we do not know. We may know more when the black box or the voice recorder is located and investigated. There was a very heroic action to stop that plane from continuing on its flight—wherever it was headed—presumably to the Capitol Building, causing it to crash and take the lives of the 33 passengers, seven crew members, and foiling the efforts of those four terrorists.

I send the bill to the desk and ask unanimous consent that it be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1434

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Honoring the Passengers and Crew of United Flight 93 Act".

SEC. 2. FINDINGS.

Congress finds that—

(1) on September 11, 2001, United Airlines Flight 93 took off at 8:44 a.m. from Newark, New Jersey, destined for San Francisco, California;

(2) the plane was hijacked by 4 terrorists shortly after it took off;

(3) it is widely presumed that the terrorists who took control of United Airlines Flight 93 intended to use the aircraft as a weapon and crash it into the United States Capitol Building in Washington, D.C.;

(4) the passengers and crew of United Airlines Flight 93 learned from cellular phone conversations with their loved ones of the fate of the 3 other aircraft that were hijacked earlier that same day and used as weapons to murder thousands of innocent people and destroy American landmarks;

(5) the passengers and crew of United Airlines Flight 93, recognizing the potential danger that the aircraft they were aboard posed to large numbers of innocent Americans, American institutions, and the symbols of American democracy, took heroic and noble action to ensure that the aircraft they were aboard could not be used as a weapon;

(6) the 40 passengers and crew of United Airlines Flight 93, in the ultimate act of selfless courage and supreme sacrifice, fought to recapture their flight from the terrorists; and

(7) the struggle of the crew and passengers of United Airlines Flight 93 against the terrorists caused the Boeing 757 to crash down in a sparsely populated area near Shanksville, Pennsylvania at 10:10 a.m., September 11, 2001, possibly saving countless lives in the Nation's Capital.

SEC. 3. CONGRESSIONAL GOLD MEDAL.

(a) PRESENTATION AUTHORIZED.—

(1) IN GENERAL.—The President is authorized, on behalf of Congress, to award posthumously a gold medal of appropriate design to each of—

(A) the United Airlines Flight 93 crew members—

- (i) Lorraine G. Bay;
- (ii) Sandra W. Bradshaw;
- (iii) Jason Dahl;
- (iv) Wanda A. Green;
- (v) LeRoy Homer;
- (vi) CeeCee Lyles; and

(vii) Deborah A. Welsh; and

(B) the United Airlines Flight 93 passengers—

- (i) Christian Adams;
- (ii) Todd Beamer;
- (iii) Alan Beaven;
- (iv) Mark Bingham;
- (v) Deora Bodley;
- (vi) Marion Britton;
- (vii) Thomas E. Burnett, Jr.;
- (viii) William Cashman;
- (ix) Georgine Rose Corrigan;
- (x) Joseph Deluca;
- (xi) Patrick Driscoll;
- (xii) Edward Felt;
- (xiii) Colleen Fraser;
- (xiv) Andrew Garcia;
- (xv) Jeremy Glick;
- (xvi) Kristin Gould;
- (xvii) Lauren Grandcolas;
- (xviii) Donald F. Greene;
- (xix) Linda Gronlund;
- (xx) Richard Guadagno;
- (xxi) Toshiya Kuge;
- (xxii) Hilda Marcin;
- (xxiii) Waleska Martinez;
- (xxiv) Nicole Miller;
- (xxv) Louis J. Nacke;
- (xxvi) Donald Peterson;
- (xxvii) Mark Rothenberg;
- (xxviii) Christine Snyder;
- (xxix) John Talignani;
- (xxx) Honor Wainio; and
- (xxxi) 3 additional heroes whose families have requested that their names be withheld.

(2) MODALITIES.—The modalities of presentation of the medals struck under this Act shall be determined by the President, after consultation with the Speaker of the House of Representatives, the Majority Leader of the Senate, the Minority Leader of the Senate, and the Minority Leader of the House of Representatives.

(b) DESIGN AND STRIKING.—For purposes of the presentation referred to in subsection (a), the Secretary of the Treasury (in this Act referred to as the "Secretary") shall strike gold medals with suitable emblems, devices, and inscriptions, to be determined by the Secretary.

SEC. 4. STATUS AS NATIONAL MEDALS.

The medals struck under this Act are national medals for purposes of chapter 51 of title 31, United States Code.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary such sums as may be necessary to carry out this Act.

Mr. DORGAN. Madam President, I ask unanimous consent to be added as a cosponsor to the Senator's bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

By Mr. SPECTER:

S. 1436. A bill to authorize additional funding for Members of the Senate which may be used by a Member for mailings to provide notice of town meetings; to the Committee on Rules and Administration.

Mr. SPECTER. Mr. President, I have sought recognition today to introduce legislation which specifically authorizes funding for Senators to mail town meeting notices to their constituents. My legislation authorizes \$3 million each year for the next five years for Members to spend on the mailing of town meeting notices in counties with populations of less than 50,000.

Town meetings are the best way for Members to inform constituents about

our actions in Washington, and town meeting notices are the most effective means we have of advising constituents about these events. Unfortunately, the budgets under which we operate today are very restrictive and do not allow us to properly advise all of our constituents when we will be holding a town meeting in their area. For Pennsylvania alone, it would cost \$735,000, one third of my entire office budget, to circulate town meeting notices to each household in Pennsylvania. For this reason, additional funding is necessary to allow Members to send adequate notice to constituents of their visits throughout their States. However, recognizing the fiscal constraints under which we are currently operating, I have limited the scope of my legislation to only counties with smaller populations.

Smaller, rural communities are not always effectively reached by the mass media, which are generally relied upon to deliver news of our legislative activities. For example, if you take the northern tier of Pennsylvania, or the southern tier, where residents do not necessarily get any of the major newspapers and are outside television range, unless you actually go to the county, it is very hard for Senators to communicate with their constituents about what they are doing in Washington. Town meetings are a valuable forum in which Members can share details of our work and in turn hear directly from constituents concerning their thoughts on a variety of topics. My legislation would ensure that constituents in all parts of a Member's State are afforded the opportunity to participate in this process.

I regularly visit all 67 counties in Pennsylvania and find it very refreshing to get outside the beltway, to find out what people are thinking about in the more rural, remote parts of Pennsylvania. Likewise, my constituents also find it valuable to be able to receive notice that ARLEN SPECTER is coming to town, to listen to a short speech, and spend the majority of meeting time participating in a question and answer session. That way you have participatory democracy.

In July 2001, during Senate floor consideration of the Fiscal Year 2002 Legislative Branch Appropriations bill, Subcommittee Chairman DURBIN and Ranking Minority Member BENNETT accepted my amendment which provides \$3 million for the mailing of town meeting notices, subject to authorizing legislation. Today I am introducing this authorizing legislation, and urge my colleagues to join me in supporting its timely passage.

By Mr. LEAHY (for himself, Mr. HATCH, and Mr. WYDEN):

S. 1437. A bill to clarify the applicable standards of professional conduct for attorneys for the Government, and for other purposes; to the Committee on the Judiciary.

Mr. LEAHY. Mr. President, I have spoken many times over the past two

years of the problems caused by the so-called McDade law, 28 U.S.C. 530B, which was slipped into the omnibus appropriations bill at the end of the 105th Congress. The McDade law has delayed important criminal investigations, prevented the use of effective and traditionally-accepted investigative techniques, and served as the basis of litigation to interfere with legitimate Federal prosecutions. At a time when we need Federal law enforcement authorities to move quickly to catch those responsible for last week's terrorist attacks, and to prevent further attacks on our country, we can no longer tolerate the drag on Federal investigations and prosecutions caused by this ill-considered legislation.

The bill that I am introducing today, along with Senators HATCH and WYDEN, will modify the McDade law by establishing a set of rules that clarify the professional standards applicable to government attorneys. I introduced similar legislation in the last Congress, but was unable to get it before the Judiciary Committee for consideration. Since then, I have continued to work closely with the Justice Department and the FBI to monitor the problems caused by the McDade law and to refine this corrective legislation. I hope Congress will make it a top priority as it considers ways to improve Federal law enforcement and combat terrorism.

By way of background, controversy surrounding the application of State ethics rules to Federal prosecutors began over a decade ago, when a Federal appellate court held in *United States v. Hammad*, that a disciplinary rule prohibiting lawyers from communicating with persons they knew to be represented applied in the investigatory stages of a Federal criminal prosecution. The court also noted that suppression of evidence was an appropriate remedy for a prosecutor's breach of an ethical rule.

The Department of Justice responded to the Hammad opinion with what became known as the Thornburgh Memorandum. Issued on June 8, 1989, the Memorandum asserted that "contact with a represented individual in the course of authorized law enforcement activity does not violate" the ABA's model "no contact" rule. The Memorandum concluded, "The Department will resist, on Supremacy Clause grounds, local attempts to curb legitimate Federal law enforcement techniques."

The Federal courts responded negatively to the Department's position. In general, the Department was unable to persuade the courts of the efficacy of the Attorney General's policy statement.

Amid mounting criticism of the Thornburgh Memorandum, Attorney General Reno issued regulations in 1994 governing all Justice Department litigators in their communications with persons represented by counsel. These regulations allowed contacts with represented persons in certain cir-

cumstances, even if such contacts were at odds with State or local Federal court ethics rules. State disciplinary authorities could sanction a government attorney for willful violation of the regulations, but only upon a finding by the Attorney General that a willful violation had occurred.

The Department's new regulations shared the fundamental defect of the Thornburgh Memorandum, regulation of Federal prosecutors by the Justice Department instead of by the courts, without valid statutory authority. Not surprisingly, the only court to consider these regulations found them to be invalid.

On May 1, 1996, Representative Joseph McDade introduced legislation that sought to resolve the controversy over the Justice Department's claimed authority to write its own ethics rules. In essence, H.R. 3386 provided that Federal prosecutors were governed by the ethics rules that apply to lawyers generally. A hearing on the bill was held on September 12, 1996, before the Subcommittee on Courts and Intellectual Property, but no further action was taken.

On March 5, 1998, Representative McDade introduced H.R. 3396, a modified version of H.R. 3386. Although the House Judiciary Committee did not hold hearings or act on the bill, language similar to H.R. 3396 was included in the House-passed Commerce-Justice-State appropriations bill for FY1999. Thereafter, without the benefit of any hearings or debate in the Senate, and over the objection of a bipartisan majority of the Senate Judiciary Committee, the same language was enacted as Title VIII of the final omnibus bill, with a six-month delayed effective date.

At a hearing before a Judiciary Subcommittee on March 24, 1999, a number of law enforcement officials lined up to criticize the new law. In particular, they argued that its vague directive to comply with rules in each State where the attorney engages in his or her duties leaves prosecutors unsure about what rule applies to particular conduct. The one certain result of this confusion: Attorneys would refrain from taking critically important investigative steps or would leave law enforcement officers to make their own decisions about whom and how to investigate.

The McDade law went into effect on April 19, 1999. Since then, all of law enforcement's concerns about the McDade law have come to pass.

In floor statements on May 25 and September 14, 2000, I described some of the devastating effects that the McDade law is having on Federal law enforcement efforts across the country. You will recall some of the disturbing facts I described:

In Oregon, Federal prosecutors will no longer authorize undercover operations, and the FBI was forced to shut down its Innocent Images initiative, which targets child pornography and exploitation.

In California, a grand jury investigation into an airline's safety and maintenance practices was stalled for many months because of the McDade law's interplay with that State's ethics rules. After about a year of investigation, one of the airline's planes crashed, after experiencing mechanical problems on the first leg of its trip.

In another State, the FBI was stymied in a child murder investigation because of a State Bar ethics rule that went far beyond what is required by established Supreme Court and Federal appellate case law.

There are other recent examples. In one case, the FBI has had to close an investigation into allegations of fraud committed by the officials of a city with regard to FEMA disaster funds after the city's attorney invoked the McDade law to prohibit FBI agents from interviewing any city employees. In another case, counsel for an aviation company has used the McDade law to prevent the FBI from working with company employees who are willing to provide information and evidence concerning allegations that the company has been selling defective aircraft engine parts to military and civilian airlines.

Of more immediate urgency, the McDade law seriously threatens to impede the terrorism investigation into the events of September 11, 2001. In this widespread, international investigation, the McDade law will subject Justice Department attorneys to multiple and different attorney conduct rules, either because the attorneys working on or supervising the investigation are admitted to practice in more than one state, or because they are seeking assistance through court processes, search warrants; material witness warrants; criminal complaints; and grand jury subpoenas, in more than one Federal district court, each of which adopts its own set of attorney conduct rules. How are Justice Department attorneys meant to resolve conflicts in those rules in a manner that is reliable without unduly delaying this critical investigation?

There can no longer be any serious doubt about the need for corrective legislation. We cannot afford to wait until the McDade law impedes the investigation into last Tuesday's attacks before taking action.

Supporters of the McDade law have argued that Federal prosecutors are no worse off than their State counterparts, who have long been subject to State ethics rules. This is simply not the case. State prosecutors practice almost entirely before the courts of the State in which they are licensed: they do not practice in Federal court. Thus, they are subject to only one set of ethics rules, the rules applied by the courts before which they appear and the rules of the State in which they are licensed are one and the same. This is not true for Federal prosecutors, who are licensed by a State but practice in Federal courts and must comport with

local Federal court ethics rules. Thus, Federal prosecutors are generally subject to at least two sets of potentially conflicting ethics rules.

Additionally, Federal prosecutors frequently work across State lines. This is not true of State prosecutors, whose work is generally confined to a single State. Under the McDade law, Federal prosecutors must comport with the State ethics rules of each State where they engage in their duties, which may be different than the rules of either the licensing State or the local Federal court. This means that Federal prosecutors may be subject to three or more sets of ethics rules with respect to the same conduct, including two or more sets of State ethics rules that do not take into consideration the special needs and interests of the United States in investigating and prosecuting violations of Federal law.

In any event, even assuming that State Bar rules are causing serious problems for State prosecutors as well as Federal prosecutors, that is a matter for the States, not for Congress. Our responsibility is to ensure the effective enforcement of the Federal criminal laws, and that is what my legislation seeks to accomplish.

The Professional Standards for Government Attorneys Act adheres to the basic premise of the McDade law: The Department of Justice does not have the authority it has long claimed to write its own ethics rules. This legislation establishes that the Department may not unilaterally exempt Federal trial lawyers from the standards of professional responsibility adopted by the Federal courts. Federal courts are the more appropriate body to establish such standards for Federal prosecutors, not only because Federal courts have traditional authority to establish such standards for lawyers generally, but because the Department lacks the requisite objectivity.

The first part of this bill embodies the traditional understanding that when lawyers handle cases before a Federal court, they should be subject to the Federal court's standards of professional responsibility, and not to the possibly inconsistent standards of other jurisdictions. By incorporating this ordinary choice-of-law principle, the bill preserves the Federal courts' traditional authority to oversee the professional conduct of Federal trial lawyers, including Federal prosecutors. It thus avoids the uncertainties presented by the McDade law, which potentially subjects Federal prosecutors to State laws, rules of criminal procedure, and judicial decisions which differ from existing Federal law.

Another part of the bill specifically addresses the situation in Oregon, where a state court ruling has seriously impeded the ability of Federal agents to engage in undercover operations and other covert activities. Such activities are legitimate and essential crimefighting tools. The Professional Standards for Government At-

torneys Act ensures that these tools will be available to combat terrorism.

Finally, the bill addresses the most pressing contemporary question of government attorney ethics, namely, the question of which rule should govern government attorneys' communications with represented persons. It asks the Judicial Conference of the United States to submit to the Supreme Court a proposed uniform national rule to govern this area of professional conduct, and to study the need for additional national rules to govern other areas in which the proliferation of local rules may interfere with effective Federal law enforcement. The Rules Enabling Act process is the ideal one for developing such rules, both because the Federal judiciary traditionally is responsible for overseeing the conduct of lawyers in Federal court proceedings, and because this process would best provide the Supreme Court an opportunity fully to consider and objectively to weigh all relevant considerations.

The problems posed to Federal law enforcement investigations and prosecutions by the McDade law are real and urgent. The Professional Standards for Government Attorneys Act provides a reasonable and measured alternative: It preserves the traditional role of the State courts in regulating the conduct of attorneys licensed to practice before them, while ensuring that Federal prosecutors and law enforcement agents will be able to use traditional Federal investigative techniques. I urge Congress to move quickly to pass this corrective legislation before more cases are compromised.

I ask unanimous consent that the bill and a summary of the bill be printed in the RECORD.

There being no objection, the additional material ordered to be printed in the RECORD, as follows:

S. 1437

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Professional Standards for Government Attorneys Act of 2001".

SEC. 2. PROFESSIONAL STANDARDS FOR GOVERNMENT ATTORNEYS.

(a) Section 530B of title 28, United States Code, is amended to read as follows:

"SEC. 530B. PROFESSIONAL STANDARDS FOR GOVERNMENT ATTORNEYS.

"(a) DEFINITIONS.—In this section:

"(1) GOVERNMENT ATTORNEY.—The term 'Government attorney'—

"(A) means the Attorney General; the Deputy Attorney General; the Solicitor General; the Associate Attorney General; the head of, and any attorney employed in, any division, office, board, bureau, component, or agency of the Department of Justice; any United States Attorney; any Assistant United States Attorney; and Special Assistant to the Attorney General or Special Attorney appointed under section 515; any special Assistant United States Attorney appointed under section 543 who is authorized to conduct criminal or civil law enforcement investigations or proceedings on behalf of the United States; any other attorney employed

by the Department of Justice who is authorized to conduct criminal or civil law enforcement proceedings on behalf of the United States; any independent counsel, or employee of such counsel, appointed under chapter 40; and any outside special counsel, or employee of such counsel, as may be duly appointed by the Attorney General; and

“(B) does not include any attorney employed as an investigator or other law enforcement agent by the Department of Justice who is not authorized to represent the United States in criminal or civil law enforcement litigation or to supervise such proceedings.

“(2) STATE.—The term ‘State’ includes a Territory and the District of Columbia.

“(b) CHOICE OF LAW.—Subject to any uniform national rule prescribed by the Supreme Court under chapter 131, the standards of professional responsibility that apply to a Government attorney with respect to the attorney’s work for the Government shall be—

“(1) for conduct in connection with a proceeding in or before a court, the standards of professional responsibility established by the rules and decisions of that court;

“(2) for conduct reasonably intended to lead to a proceeding in or before a court, the standards of professional responsibility established by the rules and decisions of the court in or before which the proceeding is intended to be brought; and

“(3) for all other conduct, the standards of professional responsibility established by the rules and decisions of the Federal district court for the judicial district in which the attorney principally performs his or her official duties.

“(c) LICENSURE.—A Government attorney (except foreign counsel employed in special cases)—

“(1) shall be duly licensed and authorized to practice as an attorney under the laws of a State; and

“(2) shall not be required to be a member of the bar of any particular State.

“(d) COVERT ACTIVITIES.—Notwithstanding any provision of State law, including disciplinary rules, statutes, regulations, constitutional provisions, or case law, a Government attorney may, for the purpose of enforcing Federal law, provide legal advice, authorization, concurrence, direction, or supervision on conducting covert activities, and participate in such activities, even though such activities may require the use of deceit or misrepresentation.

“(e) ADMISSIBILITY OF EVIDENCE.—No violation of any disciplinary, ethical, or professional conduct rule shall be construed to permit the exclusion of otherwise admissible evidence in any Federal criminal proceeding.

“(f) RULEMAKING AUTHORITY.—The Attorney General shall make and amend rules of the Department of Justice to ensure compliance with this section.”.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The analysis for chapter 31 of title 28, United States Code, is amended, in the item relating to section 530B, by striking “Ethical standards for attorneys for the Government” and inserting “Professional standards for Government attorneys”.

(c) REPORTS.—

(1) UNIFORM RULE.—In order to encourage the Supreme Court to prescribe, under chapter 131 of title 28, United States Code, a uniform national rule for Government attorneys with respect to communications with represented persons and parties, not later than 1 year after the date of enactment of this Act, the Judicial Conference of the United States shall submit to the Chief Justice of the United States a report, which shall include recommendations with respect to amending the Federal Rules of Practice and Procedure to provide for such a uniform national rule.

(2) ACTUAL OR POTENTIAL CONFLICTS.—Not later than 2 years after the date of enactment of this Act, the Judicial Conference of the United States shall submit to the Chairmen and Ranking Members of the Committees on the Judiciary of the House of Representatives and the Senate a report, which shall include—

(A) a review of any areas of actual or potential conflict between specific Federal duties related to the investigation and prosecution of violations of Federal law and the regulation of Government attorneys (as that term is defined in section 530B of title 28, United States Code, as amended by this Act) by existing standards of professional responsibility; and

(B) recommendations with respect to amending the Federal Rules of Practice and Procedure to provide for additional rules governing attorney conduct to address any areas of actual or potential conflict identified pursuant to the review under subparagraph (A).

(3) REPORT CONSIDERATIONS.—In carrying out paragraphs (1) and (2), the Judicial Conference of the United States shall take into consideration—

(A) the needs and circumstances of multiforum and multijurisdictional litigation;

(B) the special needs and interests of the United States in investigating and prosecuting violations of Federal criminal and civil law; and

(C) practices that are approved under Federal statutory or case law or that are otherwise consistent with traditional Federal law enforcement techniques.

SUMMARY OF THE “PROFESSIONAL STANDARDS FOR GOVERNMENT ATTORNEYS ACT OF 2001”

I. AMENDMENTS TO 28 U.S.C. § 530B

The first part of the bill supersedes the McDade law with a new 28 U.S.C. § 530B, consisting of six subsections:

Subsection (a) codifies the definition of “government attorney,” by reference to the current Department of Justice regulations.

Subsection (b) establishes clear choice-of-law rules for government attorneys with respect to standards of professional responsibility, modeled on Rule 8.5(b) of the ABA’s Model Rules of Professional Conduct. These choice-of-law rules apply only with respect to government attorney conduct that is related to the attorney’s work for the government. Under these rules, an attorney who is handling a case in court would be subject to the professional standards established by the rules and decisions of that court; an attorney who is engaged in conduct reasonably intended to lead to a proceeding in court, such as conduct in connection with a grand jury or civil investigation, would be subject to the professional standards of the court in which the proceeding is intended to be brought; in other circumstances, where no court has clear supervisory authority over particular conduct, an attorney would be subject to the professional standards established by rules and decisions of the United States District Court for the judicial district in which the attorney principally performs his official duties. In the event that the Supreme Court promulgates one or more uniform national rules governing the professional conduct of government attorneys practicing before the Federal courts, the terms of the uniform national rule would apply.

Subsection (c) clarifies the law regarding the licensing of government attorneys, an issue that is currently addressed through the appropriations process. Since 1979, appropriations bills for the Department of Justice have incorporated by reference section 3(a)

of Pub. L. 96-132, which states: “None of the sums authorized to be appropriated by this Act may be used to pay the compensation of any person employed after the date of the enactment of this Act as an attorney (except foreign counsel employed in special cases) unless such person shall be duly licensed and authorized to practice as an attorney under the laws of a State, territory, or the District of Columbia.” Subsection (c) codifies this longstanding requirement, and also makes clear that government attorneys need not be licensed under the laws of any state in particular. The clarification is necessary to ensure that local rules regarding state licensure are not applied to federal prosecutors. Cf. *United States v. Straub*, No. 5:99 Cr. 10 (N.D. W. Va. June 14, 1999) (granting defense motion to disqualify the Assistant United States Attorney because he was not licensed to practice in West Virginia).

Subsection (d) specifically addresses the situation in Oregon, where a state court ruling has seriously impeded the ability of Federal agents to engage in undercover operations and other covert activities. See *In re Gatti*, 330 Or. 517 (2000). This subsection ensures that these traditional law enforcement tools will be available to federal prosecutors and agents.

Subsection (e) makes clear that violations of professional conduct rules by government attorneys shall not be construed to permit the exclusion of otherwise admissible evidence in any Federal criminal proceeding.

Subsection (f), like the McDade law, authorizes the Attorney General to make and amend rules to assure compliance with section 530B.

II. JUDICIAL CONFERENCE REPORT AND RECOMMENDATIONS

The second part of the bill directs the Judicial Conference of the United States to prepare two reports regarding the regulation of government attorney conduct. Both reports would contain recommendations with respect to the advisability of uniform national rules.

The first report would address the issue of contacts with represented persons, which has generated the most serious controversy regarding the professional conduct of government attorneys. See, e.g., *State v. Miller*, 600 N.W.2d 457 (Minn. 1999); *United States v. McDonnell Douglas Corp.*, 132 F.3d 1252 (8th Cir. 1998); *United States v. Lopez*, 4 F.3d 1455 (9th Cir. 1993); *United States v. Hammad*, 858 F.2d 834 (2d Cir. 1988).

Rule 4.2 of the ABA’s Model Rules of Professional Conduct and analogous rules adopted by state courts and bar associations place strict limits on when a lawyer may communicate with a person he knows to be represented by another lawyer. These “no contact” rules preserve fairness in the adversarial system and the integrity of the attorney-client relationship by protecting parties, potential parties and witnesses from lawyers who would exploit the disparity in legal skill between attorneys and lay people and damage the position of the represented person. Courts have given a wide variety of interpretations to these rules, however, creating uncertainty and confusion as to how they apply in criminal cases and to government attorneys. For example, courts have disagreed about whether these rules apply to Federal prosecutor contacts with represented persons in non-custodial pre-indictment situations, in custodial pre-indictment situations, and in post-indictment situations involving the same or different matters underlying the charges.

Lawyers who practice in federal court—and federal prosecutors in particular—have a legitimate interest in being governed by a single set of professional standards relating to

frequently recurring questions of professional conduct. Further, any rule governing federal prosecutors' communications with represented persons should be respectful of legitimate law enforcement interest as well as the legitimate interests of the represented individuals. Absent clear authority to engage in communications with represented persons, when necessary and under limited circumstances carefully circumscribed by law, the government is significantly hampered in its ability to detect and prosecute Federal offenses.

The proposed legislation charges the Judicial Conference with developing a uniform national rule governing government attorney contacts with represented persons. Given the advanced stage of dialogue among the interested parties, the Department of Justice, the ABA, the Federal and State courts, and others, the Committee is confident that a satisfactory rule can be developed within the one-year time frame established by the bill.

While the "no contact" rule poses the most serious challenge to effective law enforcement, other rules of professional responsibility may also threaten to interfere with legitimate investigations. The proposed legislation therefore directs the Judicial Conference to prepare a second report addressing broader questions regarding the regulation of government attorney conduct. This report, to be completed within two years, would review any areas of conflict or potential conflict between federal law enforcement techniques and existing standards of professional responsibility, and make recommendations concerning the need for additional national rules.

Mr. WYDEN. Mr. President, I wish to bring to the Senate's attention a serious legal matter currently impeding Federal criminal investigations in many States, especially Oregon, and legislation that I am joining the Chairman of the Judiciary Committee, Senator LEAHY, in introducing today to correct this problem.

Enacted at the end of the 105th Congress as Section 801 of the Omnibus Appropriations Bill (Public Law 105-277), the Citizens Protection Act, commonly known as the "McDade law," has hampered Federal law enforcement efforts aimed at combating child pornography, drug trafficking, and terrorism, particularly in the State of Oregon.

In the Gatti case [Gatti, 330 Or. 517 (2000)] in early 2000, the Oregon Supreme Court held that a private attorney had acted unethically by intentionally misrepresenting his identity to the employees of a medical records review company called Comprehensive Medical Review, CMR. The attorney, who represented a client who had filed a claim with an insurance company, believed that the insurance company was using CMR to generate fraudulent medical reports that the insurer then used to deny or limit claims. The attorney called CMR and falsely represented himself to be a chiropractor seeking employment with the company. The attorney was hoping to obtain information from CMR that he could use in a subsequent lawsuit against CMR and the insurance company.

The Oregon Supreme Court upheld the State Bar's view that the attorney's conduct violated two Oregon

State Bar disciplinary rules and an Oregon statute, specifically, a disciplinary rule prohibiting conduct involving dishonesty, fraud, deceit or misrepresentation; a disciplinary rule prohibiting knowingly making a false statement of law or fact; and a statute prohibiting willful deceit or misconduct in the legal profession. In doing so, the court rejected the attorney's defense that his misrepresentations were justifiable because he was engaged in an investigation to seek evidence of fraud and other wrongful conduct. The court expressly ruled that there was no "prosecutorial exception" to either the State Bar disciplinary rules or the Oregon statute. As a result of this decision, prosecutors in Oregon may not concur or participate in undercover and other covert law enforcement techniques, even if the law enforcement technique at issue is lawful under Federal law.

Soon after this Oregon Supreme Court decision, the Oregon U.S. Attorney's Office informed the Oregon FBI Field Office that it would not concur or participate in the use of long-used and highly productive techniques, such as undercover operations and consensual monitoring of telephone calls, that could be disallowed by the State Bar. Several important investigations were immediately terminated or severely impeded. The Oregon U.S. Attorney even refused to certify the renewal of the Portland Innocent Images undercover program, which targets child pornography and exploitation. Without the U.S. Attorney's certification, the program was shut down and a significant criminal problem has since gone unchecked.

The Federal Investigation Enhancement Act that I am introducing today with Senator LEAHY will clarify that Federal attorneys may, for the purpose of enforcing Federal law, authorize, concur, direct, and supervise covert investigations even though such activities may require the use of deceit or misrepresentation. In doing so, our legislation will make it possible for Federal authorities to continue their efforts to investigate and apprehend the most dangerous criminals.

It is my hope that the Senate will act quickly on this legislation that will correct the most serious problems caused by the McDade law. It will be of enormous help to Federal law enforcement efforts in Oregon and across our country who are prosecuting these crimes.

By Mr. CRAIG:

S. 1440. A bill to amend the Internal Revenue Code of 1986 to provide tax relief for victims of the terrorist attacks against the United States on September 11, 2001; to the Committee on Finance.

Mr. CRAIG. Mr. President, today I am introducing the Victims of Terrorism Relief Act of 2001, to provide tax relief for the innocent victims of the terrorist attacks against our Nation last Tuesday, September 11.

Last week's attack was unlike any event in our Nation's history. It was an act of war committed on U.S. soil, and more, with innocent civilians cold-bloodedly selected as the principal targets and even strapped to the weapons. I am confident that, under the leadership of our Commander-in-Chief, and with broad and deep support, across our country and, on a bipartisan basis, here in Congress, we will win this war decisively.

A significant part of our response also must be compassion for the survivors of those victims of the first day of this war. Our tax code has long recognized that compassion demands we extend a helping hand by providing relief to our military heroes killed in combat. Today, sadly, we recognize the need to extend similar comfort and relief to the families of civilian victims whose lives have been taken.

The other body has already passed emergency legislation along these lines. The bill I am introducing is identical to that legislation. The main provisions of this bill would extend the same relief to individuals killed in last week's terrorist attack as is currently provided for members of our armed forces, with regard to the death tax, and currently provided for Federal military and civilian employees, with regard to Federal income taxes.

I fully realize that my Senate colleagues, including knowledgeable members of the Senate Finance Committee, will propose additional tax relief provisions to meet additional needs that are still being identified. But I want to add my voice, early and urgently, to emphasize the importance of acting swiftly and decisively to provide this relief to our fellow Americans.

I ask unanimous consent that the text of this bill be printed in the RECORD, as well as a brief summary of its provisions.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1440

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Victims of Terrorism Relief Act of 2001".

SEC. 2. INCOME TAXES OF VICTIMS OF TERRORIST ATTACKS.

(a) IN GENERAL.—Section 692 of the Internal Revenue Code of 1986 (relating to income taxes of members of Armed Forces on death) is amended by adding at the end the following new subsection:

"(d) CERTAIN INDIVIDUALS DYING AS A RESULT OF SEPTEMBER 11, 2001, TERRORIST ATTACKS.—

"(1) IN GENERAL.—In the case of any individual who dies as a result of wounds or injury incurred as a result of the terrorist attacks against the United States on September 11, 2001, any tax imposed by this subtitle shall not apply—

"(A) with respect to the taxable year in which falls the date of such individual's death, and

"(B) with respect to any prior taxable year in the period beginning with the last taxable

year ending before the taxable year in which the wounds or injury were incurred.

“(2) EXCEPTION.—Paragraph (1) shall not apply to an individual whom the Secretary determines was a perpetrator of any such terrorist attack.”.

(b) CONFORMING AND CLERICAL AMENDMENTS.—

(1) The heading of section 692 of such Code is amended to read as follows:

“SEC. 692. INCOME TAXES OF MEMBERS OF ARMED FORCES ON DEATH AND VICTIMS OF CERTAIN TERRORIST ATTACKS.”.

(2) The item relating to section 692 in the table of sections for part II of subchapter J of chapter 1 of such Code is amended to read as follows:

“Sec. 692. Income taxes of members of Armed Forces on death and victims of certain terrorist attacks.”.

(3) Section 5(b)(1) of such Code is amended by inserting “and victims of certain terrorist attacks” after “on death”.

(4) Section 6013(f)(2)(B) of such Code is amended by inserting “and victims of certain terrorist attacks” after “on death”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending on or after September 11, 2001.

SEC. 3. RELIEF FROM ADDITIONAL ESTATE TAX.

(a) IN GENERAL.—Section 2201 of the Internal Revenue Code of 1986 is amended—

(1) in the first sentence by inserting “(a) IN GENERAL.—” before “The additional estate tax”, and

(2) by adding at the end the following:

“(b) VICTIMS OF CERTAIN TERRORIST ATTACKS.—The additional estate tax shall not apply to the transfer of the taxable estate of any individual who dies as a result of wounds or injury incurred as a result of the terrorist attacks against the United States on September 11, 2001. The preceding sentence shall not apply with respect to any individual whom the Secretary determines was a perpetrator of any such terrorist attack.”.

(b) CLERICAL AMENDMENTS.—

(1) The heading of section 2201 of such Code is amended to read as follows:

“SEC. 2201. COMBAT ZONE-RELATED DEATHS OF MEMBERS OF THE ARMED FORCES AND DEATHS OF VICTIMS OF CERTAIN TERRORIST ATTACKS.”.

(2) The item relating to section 2201 in the table of sections for subchapter C of chapter 11 of such Code is amended to read as follows:

“Sec. 2201. Combat zone-related deaths of members of the Armed Forces and deaths of victims of certain terrorist attacks.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying on or after September 11, 2001.

VICTIMS OF TERRORISM RELIEF ACT OF 2001— EXPLANATION OF PROVISIONS

Death Tax Relief.—Section 2201 of the Internal Revenue Code currently provides an estate tax reduction for members of the armed forces who are killed while serving in a combat zone or who die as a result of injuries suffered while serving in a combat zone. The provision reduces estate tax liability by more than half.

The bill would extend this estate tax treatment to individuals who were killed as a result of the September 11 terrorist attack or who dies as a result of injuries suffered from that attack.

Income Tax Relief.—Section 692(c) of the Internal Revenue Code currently exempts Federal military and civilian employees from paying Federal income taxes in the

year of their death if they die during (or as a result of injuries suffered in) a military or terrorist act outside of the United States.

The bill would extend this Federal income tax relief to individuals who died as a result of the September 11 terrorist attack or who die from injuries suffered as a result of that attack.

Relief for Airline Payments to Passengers.—The bill would clarify that the \$25,000 per passenger payments made by United Airline will be exempt from Federal income taxes, if such a clarification is needed. Any similar payments made by American Airlines would receive similar treatment.

Exempt FEMA Assistance Payments from Tax.—The bill would ensure that FEMA assistance payments are exempt from federal income tax.

STATEMENTS ON SUBMITTED RESOLUTIONS

SENATE CONCURRENT RESOLUTION 66—TO EXPRESS THE SENSE OF THE CONGRESS THAT THE PUBLIC SAFETY OFFICER MEDAL OF VALOR SHOULD BE AWARDED TO PUBLIC SAFETY OFFICERS KILLED IN THE LINE OF DUTY IN THE AFTERMATH OF THE TERRORIST ATTACKS OF SEPTEMBER 11, 2001

Mr. STEVENS (for himself, Mr. CARPER, and Mr. LIEBERMAN) submitted the following concurrent resolution, which was ordered held at the desk.

S. CON. RES. 66

Whereas the Public Safety Officer Medal of Valor Act of 2001 (Public Law 107-12, 115 Stat. 20)—

(A) allows the President to award, and present in the name of Congress, a Medal of Valor to a public safety officer cited by the Attorney General of the United States, upon the recommendation of the Medal of Valor Review Board, for extraordinary valor above and beyond the call of duty; and

(B) provides that the Public Safety Officer Medal of Valor shall be the highest national award for valor by a public safety officer;

Whereas on September 11, 2001, terrorists hijacked and destroyed 4 civilian aircraft, crashing 2 of the planes into the towers of the World Trade Center in New York City, and a third into the Pentagon in suburban Washington, DC;

Whereas thousands of innocent Americans were killed or injured as a result of these attacks, including rescue workers, police officers, and firefighters at the World Trade Center and at the Pentagon;

Whereas these attacks destroyed both towers of the World Trade Center, as well as adjacent buildings, and seriously damaged the Pentagon;

Whereas police officers, firefighters, public safety officers, and medical response crews were thrown into extraordinarily dangerous situations, responding to these horrendous events and acting heroically, without concern for their own safety, trying to help and to save as many of the lives of others as possible in the impact zones, in spite of the clear danger to their own lives; and

Whereas these attacks were by far the deadliest terrorist attacks ever launched against the United States: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) because of the tragic events of September 11, 2001, the limit on the number of

Public Safety Officer Medals of Valor should be waived, and a medal should be awarded under the Public Safety Officer Medal of Valor Act of 2001 to any public safety officer, as defined in that Act, who was killed in the line of duty; and

(2) the Medal of Valor Review Board should give strong consideration to the acts of bravery by other public safety officers in responding to these events.

Mr. STEVENS. Mr. President, yesterday Senator INOUE and I went to New York City to visit the disaster area. It was an experience I shall never forget. We had the cooperation of the New York National Guard, which flew us in a helicopter over the area of the World Trade Center, and then met Mayor Giuliani on the ground and visited the disaster scene.

Today, I have come to this Chamber to introduce a Senate concurrent resolution. This resolution would express the sense of the Congress that the Public Safety Officers Medal of Valor should be awarded to public safety officers killed in the line of duty in the aftermath of the terrorist attacks of September 11, 2001.

It is with a sad heart that I introduce this resolution, for once again America has seen some of our finest go into harm's way to help those they are sworn to protect and serve. Many of these firefighters, police officers, and public safety officers gave their lives. They made the ultimate sacrifice for our country in the service of their fellow Americans.

Without regard for their own safety, firefighters, police officers, port authority officers, rescue personnel, and others rushed into the World Trade Center and the Pentagon to help in the rescue of workers in those buildings. Senator INOUE and I visited the Pentagon the day before yesterday to view that site.

Many of these people gave their lives in helping those they sought to rescue. The truly heroic response of our public servants to these horrible and evil attacks on America and Americans should not go unnoticed, and we all know the acts will not go unpunished.

The Public Service Medal of Valor was created to recognize public safety officers who act with extraordinary valor above and beyond the call of duty and to recognize the protective service that goes often unnoticed in our daily lives.

In 1998, in the U.S. Capitol, Senators, Congressmen, tourists, and staff were reminded of the tremendous sacrifices that officers make every day when Officers Jacob Chestnut and John Gibson gave their lives defending the peace and defending our lives here in the Nation's Capitol.

Shortly after that tragic event, I introduced the Senate version of the Medal of Valor Act. The law allows for five medals to be awarded a year, but I believe it is important to recognize all those who lost their lives on September 11, 2001, in the horrendous attacks in New York City and the Pentagon. They deserve consideration under this law.